

**MINUTES OF A REGULAR MEETING OF
THE TORRANCE WATER COMMISSION**

1. CALL TO ORDER

The Torrance Water Commission convened in a regular session at 7:00 p.m. on Thursday, February 16, 2006.

2. ROLL CALL:

Present: Commissioners Deemer, Rizzardi, Warner, White, and Vice-Chairperson Lew.

Absent: Commissioner Gonzalez and Chairperson Hoffman.

Also Present: Deputy Public Works Director van der Linden,
Senior Administrative Analyst Schaich, and
Metropolitan Water District Director Wright.

MOTION: Commissioner White moved to grant an excused absence to Chairperson Hoffman for the February 16, 2006 Water Commission meeting. Commissioner Warner seconded the motion; a voice vote reflected unanimous approval.

3. FLAG SALUTE

Commissioner Warner led the Pledge of Allegiance.

4. AFFIDAVIT OF POSTING

MOTION: Commissioner White moved to accept and file the report of the City Clerk on the posting of the agenda for this meeting. Commissioner Rizzardi seconded the motion; a voice vote reflected unanimous approval.

5. APPROVAL OF MINUTES

5A. MINUTES FROM DECEMBER 15, 2005

Commissioner Warner noted the following correction to the December 15, 2005 meeting minutes:

Page 5, Item 10: **ORALS:** None. Item 10A should be deleted.

MOTION: Commissioner White moved to approve the December 15, 2005 Water Commission meeting minutes as amended. Commissioner Warner seconded the motion; a voice vote reflected unanimous approval (absent Commissioner Gonzalez and Chairperson Hoffman).

5B. MINUTES FROM JANUARY 19, 2006

MOTION: Commissioner Warner moved to approve the January 19, 2006 Water Commission meeting minutes as submitted. Commissioner White seconded the motion; a voice vote reflected unanimous approval (absent Commissioner Gonzalez and Chairperson Hoffman).

6. UNFINISHED BUSINESS

6A. DESIGNATION OF REPRESENTATIVE ON WEST BASIN WATER ASSOCIATION BOARD OF DIRECTORS

Deputy Public Works Director van der Linden introduced the item and recommended that a staff member, designated by the Public Works Director, be appointed to fill the vacancy left by Commissioner Haddon on West Basin Water Association's Board of Directors. He noted that he has been designated by the Public Works Director to be the representative and explained the technical and political nature of issues considered by the West Basin Water Association.

MOTION: Commissioner Warner moved to concur with staff recommendation to appoint Deputy Public Works Director van der Linden as representative on West Basin Water Association's Board of Directors. The motion was seconded by Commissioner Rizzardi, a voice vote reflected unanimous approval (absent Commissioner Gonzalez and Chairperson Hoffman).

Senior Administrative Analyst Schaich encouraged Commissioners to attend the general session portion of monthly West Basin Water Association meetings.

8. WEST BASIN WATER ASSOCIATION REPORT

This item was considered out of order.

Deputy Public Works Director van der Linden reported that at the February 7, 2006 general meeting West Basin Municipal Water District reported on the Governor's plan for \$35 billion to be used for water improvements, the Integrated Water Plan that they are currently developing, and bringing rich petroleum oil to install a hydrogen fuel plant in the City of Carson. He reported that the Department of Water Resources has selected Jim Waldo to be the facilitator for future conjunctive use meetings. He stated that the Water Replenishment District discussed an upcoming workshop regarding amendment to groundwater adjudication.

He reported that at the February 15, 2006 quarterly dinner meeting there was a historical report on West and Central Basin water use and how it developed. He noted that former Water Commissioner Deane Haddon was recognized for his service. He reported that at the Executive Board meeting there were discussions about resuming the conjunctive use process with the facilitator, developing an RFP to bring in a new executive secretary and field secretary, and ways to increase the Association's effectiveness and to be more proactive.

7. NEW BUSINESS

7A. PRESENTATION BY METROPOLITAN WATER DISTRICT ON GOVERNOR'S PROPOSED WATER INFRASTRUCTURE PLAN, BAY-DELTA AND WATER SUPPLY ISSUES

Senior Administrative Analyst Schaich introduced the item and welcomed Randall Neudeck, Program Manager, Bay-Delta Water Resource Management Group, Metropolitan Water District of Southern California.

With the aid of a power point presentation, Program Manager Neudeck provided an overview of the Governor's Strategic Growth Plan for flood protection, water quality, and reliability. He described the five pieces of proposed legislation regarding infrastructure financing and the Bond Conference Committee, noting that the ballot deadline is March 10, 2006. He stated that the Water portion of the Strategic Plan's infrastructure investment totals \$35 billion, \$29 billion to be used for water management and \$6 billion for flood management. He discussed funding sources and distribution that include State bonds, State budget increase, Water Resource Investment Fund, federal appropriations, and local cost-share.

He provided information regarding the Water Resources Investment Fund (WRIF), through which 50% would go directly to 11 hydrologic regions and the other 50% would go to a Statewide portion. He stated that the Fund was based on a fee per connection that would provide \$5 billion over 10 years, and provided details on proposed capacity charges and estimated first year collections.

MWD Director Wright provided clarification that a single-family home would pay \$3 and a 100,000 acre corporate farm would pay approximately \$10 per month.

Program Manager Neudeck discussed objectives of the Fund that include providing sustainable infrastructure investment, optimizing regional planning approach, less reliance on declining General Fund and declining G.O. bond cycles, and providing sufficient public money to meet regional IRP goals. He discussed concerns, questions, and legal issues identified by member agencies and others, noting that there was some opposition in the State Senate and assembly.

In response to Deputy Public Works Director van der Linden's inquiry, he stated that the connection fee would not be placed on reclaimed water, noting that it was not defined in the legislation but that it was assumed to be for drinking water.

Responding to Commission White's inquiry, he explained that the reason agricultural fees were so low was because much of the investments would go back to urban agencies to solve local water issues.

Commissioner Deemer received clarification that there were two Proposition 50 grant cycles and that single or multi-family charges were based on connections defined by retailers.

Senior Administrative Analyst Schaich noted that there would be a 10% increase for a single-family residence.

Program Manager Neudeck advised that the MWD board would be holding a workshop in March 2006 to discuss policy principles on the future of the Delta as well as addressing concerns regarding the bond portion of the legislature.

Commissioner Lew initiated a brief discussion on the current status of State levees, emergency measures that would be taken in the event of levee breaches, and who is responsible for levee maintenance.

Program Manager Neudeck reported on water supply and demand, noting accumulated precipitation as of February 7, 2006. He stated that the goal of the MWD board is to take wet-year water and develop a number of storage accounts throughout the service area. He discussed major near-term activities that include re-directing CALFED, negotiating a Habitat Conservation Plan, and looking at the long-term vision for the Delta. He noted that a large part of MWD's supply comes from the Delta and that the State Water Project will remain a major source of supply for Southern California. He discussed reasons why Delta water is important to MWD that include replenishment for regional storage and conveyance for voluntary water transfers.

MWD Director Wright discussed the Delta source water quality and the salinity of Colorado River water.

Program Manager Neudeck concluded his presentation by reading MWD's proposed Delta Mission Statement based on policy principles of sustainability, Integrated Resource Plan consistency, and fairness to all beneficiaries.

9. MONTHLY DEPARTMENT REPORT

Deputy Public Works Director van der Linden reported that potable water production for January 2006 was approximately 9% above the corresponding period for last year. He stated that main breaks were less than previous months, noting that the replacement of additional deteriorated water mains is expected to gradually lower these incidents.

In response to Commissioner Deemer's inquiry, he explained that Mobil Oil would be doing scheduled maintenance for approximately six weeks.

MOTION: Commissioner Rizzardi, seconded by Commissioner White, moved to accept and file the Deputy Public Works Director's Report; a voice vote reflected unanimous approval (absent Commissioner Gonzalez and Chairperson Hoffman).

10. METROPOLITAN WATER DISTRICT DIRECTOR'S REPORT

MWD Director Wright reported on the Colorado River Basin shortage guidelines and water supply management strategies. He explained that the Upper Basin was required to release 7.5 million acre feet of water to the Lower Basin each year. He stated that the Upper Basin was getting concerned about this requirement, and that the Secretary of Interior gave them until February 1, 2006 to come up with an alternative plan. He advised that an agreement was reached to equalize water in the two reservoirs in order to protect elevations in Lake Powell and Lake Mead. He stated that now California would be able to bank 1.5 million acre feet of water in Lake Mead at no charge.

He announced that Jeff Kightlinger was Metropolitan Water District's new General Manager and noted that a new in-house counsel has not been selected yet.

In response to Senior Administrative Analyst Schaich's inquiry, he advised that MWD gets first call on Lake Mead surplus water.

11. ORALS

11A. Commissioner Rizzardi stated that this evening's presentation and handouts were very informative.

11B. Commissioner White inquired if the City was taking a position on the proposed legislation.

Deputy Public Works Director van der Linden responded that the City Manager's Office has a liaison that looks at all legislation and that the Department would be providing input.

11C. Commissioner White stated that Southern California Edison Company was considering new meter reading devices.

Responding to her inquiry, Senior Administrative Analyst Schaich explained problems and disadvantages involved with coordinating utilities.

11D. MWD Director Wright reminded Commissioners that the Colorado River trip would be on April 21-23, 2006.

11E. Commissioner Deemer requested that staff provide a comparison of water rates with agencies in surrounding cities.

12. ADJOURNMENT

MOTION: At 8:35 p.m., Commissioner White moved to adjourn the meeting to Thursday, March 16, 2006 at 7:00 p.m. in the West Annex Commission Meeting Room. Commissioner Warner seconded the motion and, hearing no objection, Vice-Chairperson Lew so ordered.

Approved as Submitted May 18, 2006 s/ Sue Herbers, City Clerk
